



Oregon

Theodore R. Kulongoski, Governor

Department of Environmental Quality

Northwest Region Portland Office

2020 SW 4th Avenue, Suite 400

Portland, OR 97201-4987

(503) 229-5263

FAX (503) 229-6945

TTY (503) 229-5471

June 4, 2007

Ms. Susan Davidson
Vice President
Schnitzer Investment Corp.
1211 SW Fifth Avenue, Suite 2250
Portland OR 97204

RE: Conditional No Further Action Determination
Kittridge Distribution Center
Tax Lot 1N1E19A 1200
ECSI #2442

Dear Ms. Davidson:

The Oregon Department of Environmental Quality (DEQ) has completed our review of documents submitted on your behalf by Bridgewater Group for the Kittridge Distribution Center site in NW Portland under an Independent Cleanup Agreement with Schnitzer Investment Corp. (SIC).

DEQ has determined that no further action is required to address environmental contamination at the Kittridge Distribution Center property. This determination is subject to certain conditions, including that engineering and institutional control measures described in the Easement and Equitable Servitude (B&ES) for the property are maintained. This determination is based on the regulations and facts as we now understand them, including but not limited to the following:

1. The main historic operation at this property was an acetylene gas plant, which operated from 1942 to 1985, under several different owners. Between 1985 and 1989 an industrial gas filling and distribution business operated on site. The acetylene plant was demolished in 1989. From 1991 to 1996, Asset Recovery operated a scrap metal recycling business on the site that included storing, processing, and shipping of metals.

The site is currently used as a commercial and light industrial business park. The site was redeveloped in 1996 and most of the former buildings and infrastructure were removed. Currently, three buildings exist on-site and limited landscaped areas are present. Seven product distribution businesses have operated on-site since the business

park opened in 1996. Bridgewater Group (April 2000) estimates that over 90 percent of the facility is either paved or covered with buildings.

2. DEQ made a Portland Harbor Source Control Decision for the Kittridge Distribution Center site in June of 2004 that determined that the site is not likely a current source of contamination to the Willamette River. This decision was reviewed by the Environmental Protection Agency (EPA) Region 10 office in May 2004.
3. Bridgewater Group, on behalf of SIC, submitted documents and a Feasibility Study proposing that a conservative presumption be made that site subsurface soils and groundwater were contaminated with polynuclear aromatic hydrocarbons (PAHs) and heavy metals above risk-based standards. Furthermore that the presumed contamination was immobile and that the existing structures and asphalt parking areas served as an effective cap that protected site workers from potential exposure. The proposed remedial solution was to institute the E&ES, which would stipulate that a site specific groundwater use restriction be put in place, that a site soil and groundwater management plan be established to control any potential worker exposures, that the cap be adequately maintained, and that any disturbance be reported to DEQ.
4. DEQ issued a Record of Decision (ROD) for the property on January 25, 2007, which stated that there were no current unacceptable risks at the property from the presumed contamination. The ROD required that SIC or any future owner – (a) Maintain the existing cap of the site, which consists of warehouse buildings and asphalted parking area; (b) Establish a restriction for all uses of groundwater below the site; (c) Establish institutional controls via a site-specific contaminated soil and groundwater management plan (Appendix C of ROD) to guide site activities as they relate to capped contamination areas; and (d) Record an Easement and Equitable Servitude with the property deed to establish site hazards, inspection and maintenance of the soil cap, and reporting to DEQ when conditions warranted.
5. In March 2007, SIC completed the ROD requirements by recording the E&ES on the property deed with Multnomah County on March 13, 2007.
6. DEQ issued a Public Notification and 30-day comment period from May 1, 2007 to June 1, 2007 for the proposed CNFA. No comments were received.

Any future work in the contaminated areas of the property, including any sampling, management, and disposal of contaminated [soil, sediment and or groundwater] must be performed in accordance with DEQ regulations and policies and in accordance with the E&ES. As described in the E&ES, DEQ will periodically review the site status to ensure that the requirements of the E&ES are being maintained. Furthermore, that DEQ's costs related to any needed oversight of the E&ES were to be reimbursed by the site Owner.

DEQ concludes that based on the information presented to date that the Kittridge Distribution Center site is currently protective of public health and the environment as long as the engineering and institutional controls are maintained as described above. The site requires no further action under the Oregon Environmental Cleanup Law, ORS 465.200 et seq., while the required conditions are maintained unless new or previously undisclosed information becomes available.

The Kittridge Distribution Center property was placed on DEQ's Inventory of sites that have a confirmed release and need additional investigation on December 15, 2005 as required by ORS 465.225. The facility will remain on the Inventory as required by ORS 465.230(2) as long as the unacceptable risk at the site is controlled by engineering and institutional controls. We will update the Environmental Cleanup Site Information System (ECSI) database to reflect this decision.

DEQ recommends keeping a copy of all of the documentation associated with this remedial action with the permanent facility records.

If you have any questions about this letter, please contact Chuck Harman at (503) 229-5585.

Sincerely,



Keith Johnson
NW Region Cleanup Program
Northwest Region Office

cc: Chip Humphries, EPA Region 10, Oregon Operations Office
Ross Rieke, Bridgewater Group
Jim Anderson, NWR Portland Harbor Section
Bob Williams, NWR VCP Program Rep.
ECSI file No. 2442